Restructuring of Indian Banks

1455. SHRI SANGH PRIYA GAUTAM: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has indicated to government that it will not be easy to promote private sector participation in India's nationalised banks; if so, the details thereof;

(b) whether the World Bank required greater management autonomy and substantial reforms in industrial relations since the banking industry is one of the most highly unionised in the country whether Government has taken any steps in this direction; if so, the details thereof;

(c) what are the comments of the World Bank on the proposed restructuring and recapitalisation of Indian bank in its recent report on India; and

(d) whether Government are going to act on the recent World Bank report mentioned if so, in what manner and to what extent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) In the course of the recent discussion with the World Bank Mission in July/August, 1993, the Mission did not comment on the feasibility of private sector participation in India's nationalised banks. The Mission has not given any aide memoire.

(b) In the discussions with World Bank the issue of management autonomy and reforms in industrial relations were discussed but no 'requirement' has been imposed.

(c) and (d) Government has not received any report of the World Bank in the recent past regarding restructuring and recapitalisation of Indian banks.

Euro-Issue of M/s. Bombay Dyeing

1456. SHRI SATYA PRAKASH MALAVIYA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have approved the proposed Euro-Issue of M/s. Bombay Dyeing;

(b) if so, whether this approval is within the prescribed guidelines of the Government/SEBI on the subject;

(c) whether Government are aware that the money so raised is likely to be used for acquiring shares at discounted rates; and

(d) if so, whether it is according to Government's Policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) In conformity with the prescribed guidelines, Government of India have approved the proposal of M/s Bombay Dyeing & Manufacturing Company Ltd. for the issue of shares through the Global Depositary Receipt Mechanism.

(c) No, Sir.

(d) Does not arise.

NRI's Deposits

1457. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the out-flow from Non-Resident Indians (NRI) deposits in the first half of the current financial year is estimated to be higher than the outflow of $ 158 million in the same period of 1992-93 particularly in September, 1993 alone;

(b) whether NRIs' deposits in Foreign Currency Non-Resident Account (FCNRA) and in Non-Resident (External) Rupee